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## LOK SABHA

The following Bills were introduced in Lok Sabha on the 30th August, 1962:—

\*BILL No. 86 OF 1962.

*A Bill further to amend the Constitution of India.*

BE it enacted by Parliament in the Thirteenth Year of the Republic of India as follows:—

1. This Act may be called the Constitution (Fourteenth Amendment) Act, 1962.
2. In article 81 of the Constitution, in sub-clause (b) of clause (1), Amendment for the words “twenty members”, the words “twenty-five members” shall be substituted.
3. In the First Schedule to the Constitution, under the heading “II. THE UNION TERRITORIES”, after entry 8, the following entry shall be inserted, namely:—

“9. Pondicherry. The territories which immediately before the sixteenth day of August, 1962, were comprised in the French Establishments in India known as Pondicherry, Karikal, Mahe and Yanam.”
4. After article 239 of the Constitution, the following article shall be inserted, namely:—

“239A. (1) Parliament may by law create for any of the Union territories of Himachal Pradesh, Manipur, Tripura, Goa, Daman and Diu, and Pondicherry—  
(a) a body, whether nominated or elected or partly nominated and partly elected, to function as a Legislature for the Union territory, or

\*The President has, in pursuance of clause (3) of article 117 of the Constitution of India, recommended to Lok Sabha the consideration of the Bill.

Creation of local Legislatures or Council of Ministers or both for certain Union territories.

## (b) a Council of Ministers,

or both with such constitution, powers and functions, in each case, as may be specified in the law.

(2) Any such law as is referred to in clause (1) shall not be deemed to be an amendment of this Constitution for the purposes of article 368 notwithstanding that it contains any provision which amends or has the effect of amending this Constitution.".

**Amendment  
of article  
240.**

## 5. In article 240, in clause (1),—

(a) after entry (d), the following entry shall be inserted, to namely:—

"(e) Pondicherry:";

(b) the following proviso shall be inserted at the end, namely:—

"Provided that when any body is created under article 15 239A to function as a Legislature for the Union territory of Goa, Daman and Diu or Pondicherry, the President shall not make any regulation for the peace, progress and good government of that Union territory with effect from the date appointed for the first meeting of the Legislature." 20

**Amendment  
of the  
Fourth  
Schedule.**

## 6. In the Fourth Schedule, in the Table,—

(a) after entry 20, the entry

"21. Pondicherry... 1" shall be inserted;

(b) for the figures "225", the figures "226" shall be substituted. 25

**Retrospec-  
tive opera-  
tion of  
certain  
provisions,**

7. Section 3 and clause (a) of section 5 shall be deemed to have come into force on the 16th day of August, 1962.

### STATEMENT OF OBJECTS AND REASONS

With the ratification of the Treaty of Cession by the Governments of India and France, on the 16th August, 1962, the French establishments of Pondicherry, Karikal, Mahe and Yanam became territories of the Indian Union with effect from that date. This Bill provides for these territories being specified in the Constitution itself as a Union territory called 'Pondicherry'. Under article 81(1)(b) of the Constitution, not more than twenty members are to represent the Union territories in the House of the People. This maximum has already been reached. The Bill accordingly seeks to increase this number to twenty-five to enable representation being given immediately to Pondicherry in the House of the People and to provide for future contingencies. The Bill also provides for representation of the territory in the Council of States.

It is proposed to create Legislatures and Councils of Ministers in the Union territories of Himachal Pradesh, Manipur, Tripura, Goa, Daman and Diu and Pondicherry broadly on the pattern of the scheme which was in force in some of the Part C States before the reorganisation of the States. The Bill seeks to confer necessary legislative power on Parliament to enact laws for this purpose through a new article 239A which follows generally the provisions of article 240 as it stood before the reorganisation of the States.

LAL BAHADUR.

NEW DELHI;

*The 25th August, 1962.*

## FINANCIAL MEMORANDUM

The Bill provides for—

- (a) the maximum number of seats in the House of the People for members representing the Union territories being raised from twenty to twenty-five (clause 2);
- (b) the French establishments in India known as Pondicherry, Karikal, Mahe and Yanam being specified in the Constitution itself as a Union territory (clause 3);
- (c) powers being conferred on Parliament to create by law legislatures and Councils of Ministers for the Union territories (clause 4); and
- (d) allocation of one seat in the Rajya Sabha to the Union territory of Pondicherry (clause 6).

2. The provision at (a), when it is fully utilised, and the provision at (d) will altogether involve an expenditure of Rs. 60,000 per annum from the Consolidated Fund of India on account of salaries and allowances of Members of Parliament.

3. Consequent on the agreement reached between the Governments of India and France regarding *de facto* transfer of former French Establishments of Pondicherry, Karikal, Mahe and Yanam, the administration of these territories was vested in the Government of India with effect from 1st November, 1954. Since that date all expenditure connected with the administration of these territories is being met out of the Consolidated Fund of India.

4. During the current budget year, the revenue of the former French establishments has been estimated at Rs. 2,31,05,500 and expenditure at about Rs. 4,45,32,000, showing a deficit of Rs. 2,14,26,500. With the integration of these areas into the Indian Union as a Union territory, the financial administration of the territory will undergo some changes. It is not, however, possible at this stage to estimate the result of such possible changes. Generally, it is estimated that a substantial part of the expenditure on the territory will continue to be met by the Union Government from the Central revenues for some years to come.

5. Some expenditure will be incurred as and when legislatures and Councils of Ministers are created for the five Union territories in pursuance of the provisions of clause 4 of the Bill. It is not possible to estimate precisely this amount but it is likely to be of the order of about Rs. 20 lakhs per annum. This expenditure will initially be met from the Consolidated Fund of the territory concerned. However, it will have to be taken into account in determining the financial assistance which may be given to these territories by way of grants from the Consolidated Fund of India.

## BILL No. 85 OF 1962

A Bill to amend the Oil and Natural Gas Commission Act, 1959.

Be it enacted by Parliament in the Thirteenth Year of the Republic of India as follows:—

1. This Act may be called the Oil and Natural Gas Commission <sup>Short title.</sup> (Amendment) Act, 1962.

<sup>43 of 1959. 5</sup> 2. In section 1 of the Oil and Natural Gas Commission Act, 1959 <sup>Amendment</sup> (hereinafter referred to as the principal Act), in sub-section (2), the words “, except the State of Jammu and Kashmir” shall be omitted.

<sup>10</sup> 3. In section 14 of the principal Act, in sub-section (2), after <sup>Amendment of section 14.</sup> clause (g), the following clause shall be inserted, namely:—

“(gg) to promote and form companies in compliance with the requirements of the Companies Act, 1956 for any of the purposes aforesaid;”.

4. In section 15 of the principal Act,—

<sup>15</sup> (a) in clause (a), for the words “rupees two thousand a month or more”, in both the places where they occur, the words “more than rupees two thousand two hundred and fifty” shall be substituted;

<sup>20</sup> (b) in clause (b), for the words “exceeding thirty lakhs of rupees”, the words “exceeding fifty lakhs of rupees” shall be substituted.

5. In section 21 of the principal Act, in clause (b) of the proviso to <sup>Amendment of section 21.</sup> sub-section (3), the words “or seven and a half lakhs of rupees, whichever is less,” shall be omitted.

### STATEMENT OF OBJECTS AND REASONS

In the light of the experience gained in the working of the Oil and Natural Gas Commission Act, 1959, it has become necessary to enhance the powers of the Oil and Natural Gas Commission as has been done in the case of other big public undertakings so that the Commission may function more effectively with speed and efficiency required for their increasing activity. Accordingly it is proposed to give powers to the Commission to promote and form companies in accordance with the Companies Act, 1956, and to create without the previous approval of the Central Government posts carrying the salary or honorarium of not more than Rs. 2,250 per month. It is also proposed to enhance the Commission's powers in relation to re-appropriation.

The Bill is designed to give effect to these proposals.

NEW DELHI;

K. D. MALAVIYA.

*The 24th August, 1962.*

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M. N. KAUL,

*Secretary.*

